

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

PETROGLYPH OPERATING CO., INC.

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 607, ROOSEVELT, UTAH 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

660' FNL & 1980' FEL NW/NE

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

9.2 MILES SOUTH EAST OF DUCHESNE, UTAH

16. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 660'

17. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL 80

18. DISTANCE FROM PROPOSED LOCATION
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6488'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5947.6' GRADED GROUND

22. APPROX. DATE WORK WILL START*

JUNE 1998

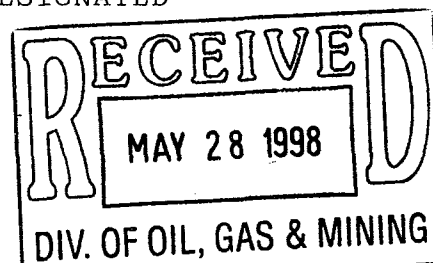
23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	250'	135 sx class "G" + 2% CaCl ₂
7 7/8"	5 1/2"	15.5#	6488'	+ 1/4 #/sx celloflake.
				50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONE OF INTEREST (+10% EXCESS). LIGHT CEMENT (11 PPG) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+5% EXCESS).

PETROGLYPH OPERATING COMPANY, INC. WILL BE THE DESIGNATED
OPERATOR OF THE SUBJECT WELL UNDER BOND #4556.

pc: Utah Division of Oil, Gas, and Mining



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE AGENT FOR PETROGLYPH

DATE

5-28-98

(This space for Federal or State office use)

PERMIT NO.

43-013-31818

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

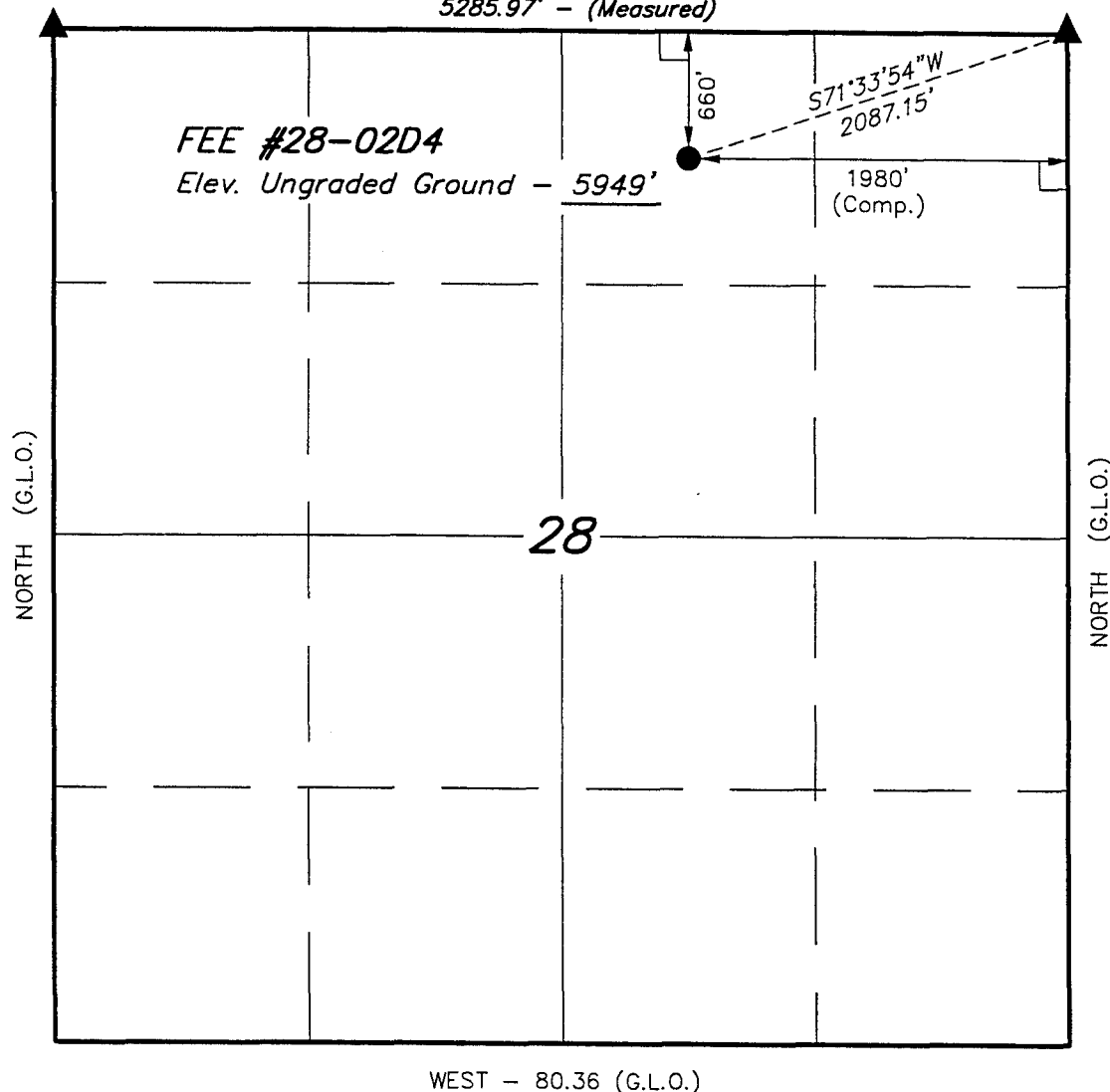
*See Instructions On Reverse Side

T4S, R4W, U.S.B.&M.

1/2" Rebar, Small
Pile of Stones

WEST - G.L.O. (Basis of Bearings)
5285.97' - (Measured)

5/8" Rebar,
Marked Stone,
Pile of Stones



LEGEND:

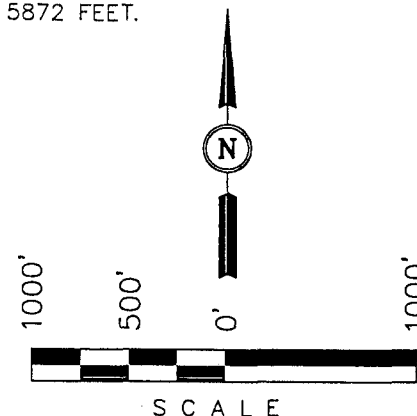
- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

PETROGLYPH OPERATING CO., INC.

Well Location, FEE #28-02D4, located as shown in the NW 1/4 NE 1/4 of Section 28, T4S, R4W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

BENCH MARK M62 (1934) LOCATED NEAR A ROAD INTERSECTION IN THE SE 1/4 OF SECTION 17, T4S, R4W, U.S.B.&M. TAKEN FROM THE DUCHESNE NE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5872 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

No. 161319
R. ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 4-30-98	DATE DRAWN: 5-5-98
PARTY G.S. J.K. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE PETROGLYPH OPERATING CO., INC.	

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/28/98

API NO. ASSIGNED: 43-013-31818

WELL NAME: 28-02D4
OPERATOR: PETROGLYPH OPERATING CO (N3800)
CONTACT: Ed Trollden (435) 789-4120

PROPOSED LOCATION:
NWNE 28 - T04S - R04W
SURFACE: 0645-FNL-2157-FEL
BOTTOM: 0645-FNL-2157-FEL
DUCHESNE COUNTY
UNDESIGNATED FIELD (002)

LEASE TYPE: FEE
LEASE NUMBER:
SURFACE OWNER: Fee

INSPECT LOCATION BY: 06/12/98

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED FORMATION: DGCRK

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal[] State[] Fee ☒
(No. B66.92)
☐ Potash (Y/N)
☐ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. 43-10152)
☐ RDCC Review (Y/N)
(Date: _____)
____ St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

____ R649-2-3. Unit _____
☒ R649-3-2. General
____ R649-3-3. Exception
____ Drilling Unit
____ Board Cause No: _____
____ Date: _____

COMMENTS: * Need surf. use agreement.

STIPULATIONS: 1) Surface casing (8 5/8") shall be set
to 500 ft. depth.

2) _____

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: PETROGLYPH OPERATING COMPANY, INC.
WELL NAME & NUMBER: FEE #28-02D4
API NUMBER: 43-013-31818
LEASE: FEE SURFACE/FEE MINERAL FIELD/UNIT: DUCHESNE
LOCATION: 1/4, 1/4 NW/NE Sec: 28 TWP: 4S RNG: 4W 660' FNL 1980' FEL 0000
GPS COORD (UTM): 12 556299E; 4440023N
SURFACE OWNER: LAMONT MOON

PARTICIPANTS

LAMONT MOON (LANDOWNER); ED TROTTER (PETROGLYPH OPERATING); GREG
DARLINGTON (BLM); DENNIS L. INGRAM (DOGM); STEVE WALL (PETROGLYPH)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

LOCATED ON SOUTH SLOPE OF UINTA MOUNTAINS IN BOTTOM OF COTTONWOOD
CANYON APPROXIMATELY 4.5 MILES SOUTH OF HIGHWAY 40 WITH ADJACENT DRY
WASH JUST WEST OF SITE.

SURFACE USE PLAN

CURRENT SURFACE USE: CATTLE AND SHEEP PASTURE.

PROPOSED SURFACE DISTURBANCE: 275 FEET OF NEW ACCESS ROAD FROM
EXISTING TWO-TRACK PLUS LOCATION PROPOSED AS 290'X 215' WITH TOPSOIL
STOCKPILE OFF LOCATION TO SOUTHWEST, AND RESERVE PIT SPOILS NORTHEAST.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: NOT PROVIDED AT
ONSITE MEETING.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: PLANNED AS CENTRAL
BATTERY OR COMMINGLE POINT FOR FEE MINERAL WELLS IN SURROUNDING AREA.

SOURCE OF CONSTRUCTION MATERIAL: NATIVE MATERIAL USING CUT AND FILL

ANCILLARY FACILITIES: NONE ANTICIPATED.

WASTE MANAGEMENT PLAN:

TO BE SUBMITTED TO DIVISION WITH APD

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: DRY WASH COULD SEE PERIODIC
FLASH FLOODING.

FLORA/FAUNA: SHADSCALE COMMUNITY, SAGEBRUSH, GREASEWOOD, CEDAR TREES,
PRICKLY PEAR CACTUS, SOME NATIVE GRASS. DEER, COYOTES, RABBITS, BIRDS
OF PREY, AND OTHER NATIVE SPECIES COMMONLY FOUND IN THIS HABITAT.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY LOAM

SURFACE FORMATION & CHARACTERISTICS: UINTA FORMATION--SOUTH FLANK
UINTA MOUNTAINS.

EROSION/SEDIMENTATION/STABILITY: SOME EROSION/SOME SEDIMENTATION/NO STABILITY PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED ON ONSITE VISIT

RESERVE PIT

CHARACTERISTICS: MEASURES 110'X60'X8' DEEP, LOCATED UPHILL IN CUT ON EAST SIDE OF LOCATION.

LINER REQUIREMENTS (Site Ranking Form attached): 40 POINTS, A SYNTHETIC LINER WILL BE REQUIRED.

SURFACE RESTORATION/RECLAMATION PLAN

OPERATOR SHALL SUBMIT TO DIVISION WITH APD.

SURFACE AGREEMENT: YES.

CULTURAL RESOURCES/ARCHAEOLOGY: OPERATOR SHALL SUBMIT SIGNED ARCH WAIVER.

OTHER OBSERVATIONS/COMMENTS

LANDSCAPE DIPS SLIGHTLY TO NORTHEAST IN BOTTOM OF COTTONWOOD WASH.

ATTACHMENTS:

PHOTOGRAPHS OF SURFACE IN PRE-DRILL CONDITION: PHOTO #8 of staking; #9 LOOKING SOUTHEAST FROM NORTHWEST ACROSS PROPOSED SITE; #10 WASH SPOKEN OF AND JUST WEST OF PROPOSED SITE; #11 NEW WELL CENTER IF MOVED 200' WEST; #12 STOCK TANK WITH SHALLOW PLUMBING THAT MIGHT NEED MOVED AND RELOCATED.

DENNIS L. INGRAM
DOGM REPRESENTATIVE

5/26/98 11:30 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>20</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score (Level II Sensitivity)		<u>40 POINTS</u>

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: PETROGLYPH OPERATING COMPANY, INC.

Name & Number: FEE #28-02D4

API Number: 43-013-31818

Location: 1/4, 1/4 NW/NE Sec. 28 T. 4S R. 4W

Engineering:

Casing, Cement, Mud and BOPE are adequate.

Reviewer: Robert J. Krueger

Date: 6/15/98

Geology/Ground Water:

Base of moderately saline water at approximately 450 feet depth, surface casing and cement program should adequately protect shallow fresh water sources.

Reviewer: G. Hunt

Date: 6-15-98

Surface:

Landowner mentioned need to move or protect water stock tank and plastic lines which are only buried one foot deep. Landowner requested a low activity or no drill window for wells along this access road between mid-April and mid-June to protect new lambs along roadway. Landowner claims the lambs shade in the tall greasewood and will dart out in front of any traffic. Landowner also requested location site be moved northwest up out of the canyon bottom because of lost feed to cattle and sheep he claims greasewood is the most important feed in the area. If moved (SEE PHOTO #11), the location would nearly straddle a dry wash and present a problem with the reserve pit being on the low side of location and in fill. Location should be moved 200 feet to the northwest and rotated 180 degrees to put pit on uphill side of location in cut, thereby avoiding the possibility of loosing reserve fluids down the wash. The dry wash would have to be re-routed slightly to the east to accommodate the landowner request to move the location.

Reviewer: DENNIS L. INGRAM

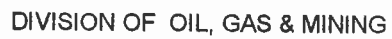
Date: MAY 26, 1998

Statement of Basis

Petroglyph 28-02D4 Well

Conditions of Approval/Application for Permit to Drill:

1. The reserve pit is to be lined with a synthetic liner of 12 mil minimum thickness.
2. Reserve pit is to be built in cut on the uphill side of pad.
3. Existing drainages will be re-routed around the location.
4. Location will be bermed to prevent runoff from the pad.
5. Surface casing shall extend to 500 feet below ground surface.



COUNTY: DUCHESNE UAC: R649-3-2



FAX COVER SHEET

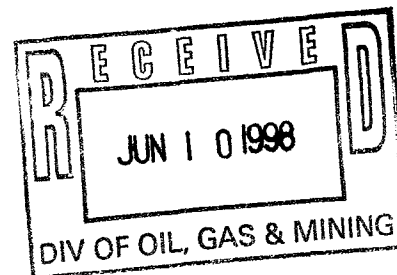
FROM: ED TROTTER

FAX NO. 435-789-1420

TELEPHONE NO. 435-789-4120

TO: UDOG & MFAX NO. 801-359-3940ATTENTION: Brad HillDATE: 6-10-1998TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 3

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CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Company
Well Name & Number: FEE #28-02D4
Lease Number: FEE
Location: 645' FNL & 2157' FEL, NW/NE, Sec. 28, T4S, R4W
U.S.B. & M., Duchesne County, Utah
Surface Ownership: Lamont Moon

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of
location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the
well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and
cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and
tests.

First Production
Notice - within five (5) business days after new well begins
or production resumes after well has been off
production for more than ninety (90) days.

For more specific details on notification requirements, please check the
Conditions of Approval for Notice To Drill and Surface Use Program.

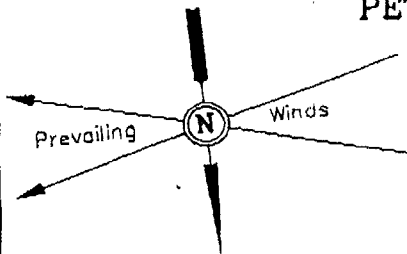
PETROGLYPH OPERATING CO., INC.

LOCATION LAYOUT FOR

FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

645' FNL 2157' FEL



SCALE: 1" = 50'
DATE: 5-29-98
Drawn By: C.B.T.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

FLARE PIT

El. 49.0'
C-7.5'
(btm. pit)

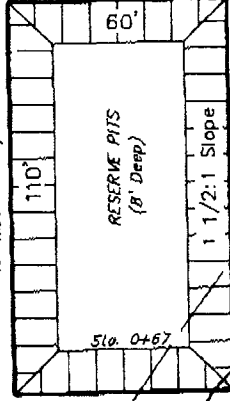
NOTE:
Pit Capacity W/2' of Freeboard is ±4,600 Bbls.

Approx. Toe of Fill Slope

El. 47.5'
C-6.0'
(btm. pit)

Reserve Pit Backfill & Spoils Stockpile

C-0.6'
El. 50.1'



C-3.6'
El. 53.1'

C-2.5'
El. 52.0'

C-1.0'
El. 50.5'

Sta. 2+90

Construct Dam and Diversion Ditch

Topsoil Stockpile

CATWALK 125'

PIPE RACKS

Existing Drainage

DOG HOUSE

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRAILER

TOILET

STORAGE TANK

Round Corners as Needed

165'

40'

115'

Buried Waterline

TRASH

55'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

165'

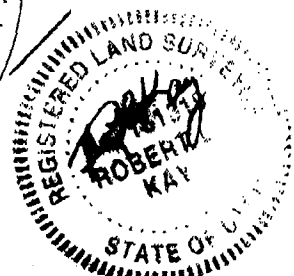
165'

165'

165'

165'

165'



Sta. 1+65

C-2.4'
El. 51.9'

Approx. Top of Cut Slope

Sta. 0+00

C-10.5'
El. 60.0'

C-3.7'
El. 53.2'

Proposed Access Road

Elev. Ungraded Ground at Location Stake = 5950.0'
Elev. Graded Ground at Location Stake = 5949.5'

UINTAH ENGINEERING & LAND SURVEYING
86 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

PETROGLYPH OPERATING CO., INC.

TYPICAL CROSS SECTIONS FOR

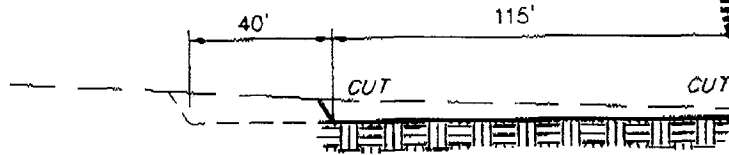
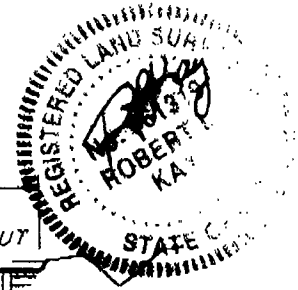
FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

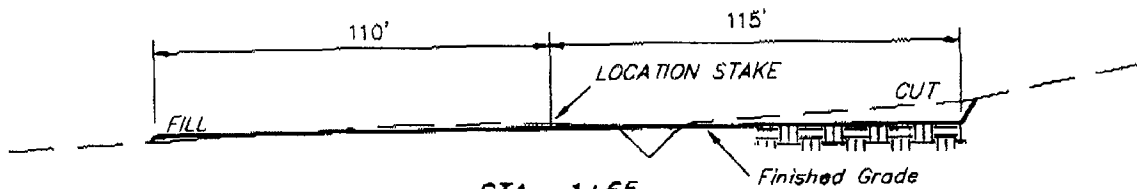
645' FNL 2157' FEL

1" = 20'
X-Section
Scale
1" = 50'

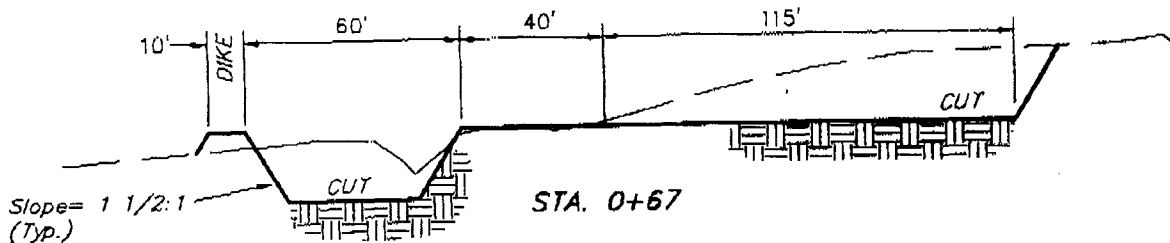
DATE: 5-29-98
Drawn By: C.B.T.



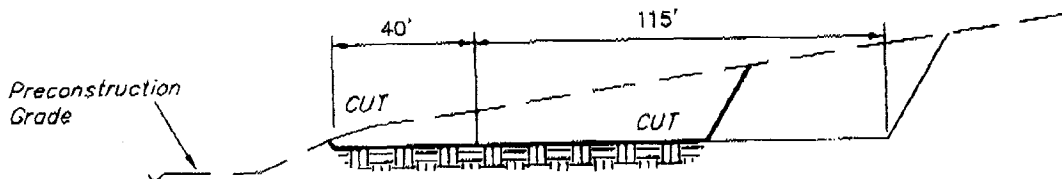
STA. 2+90



STA. 1+65



STA. 0+67



STA. 0+00

NOTE:

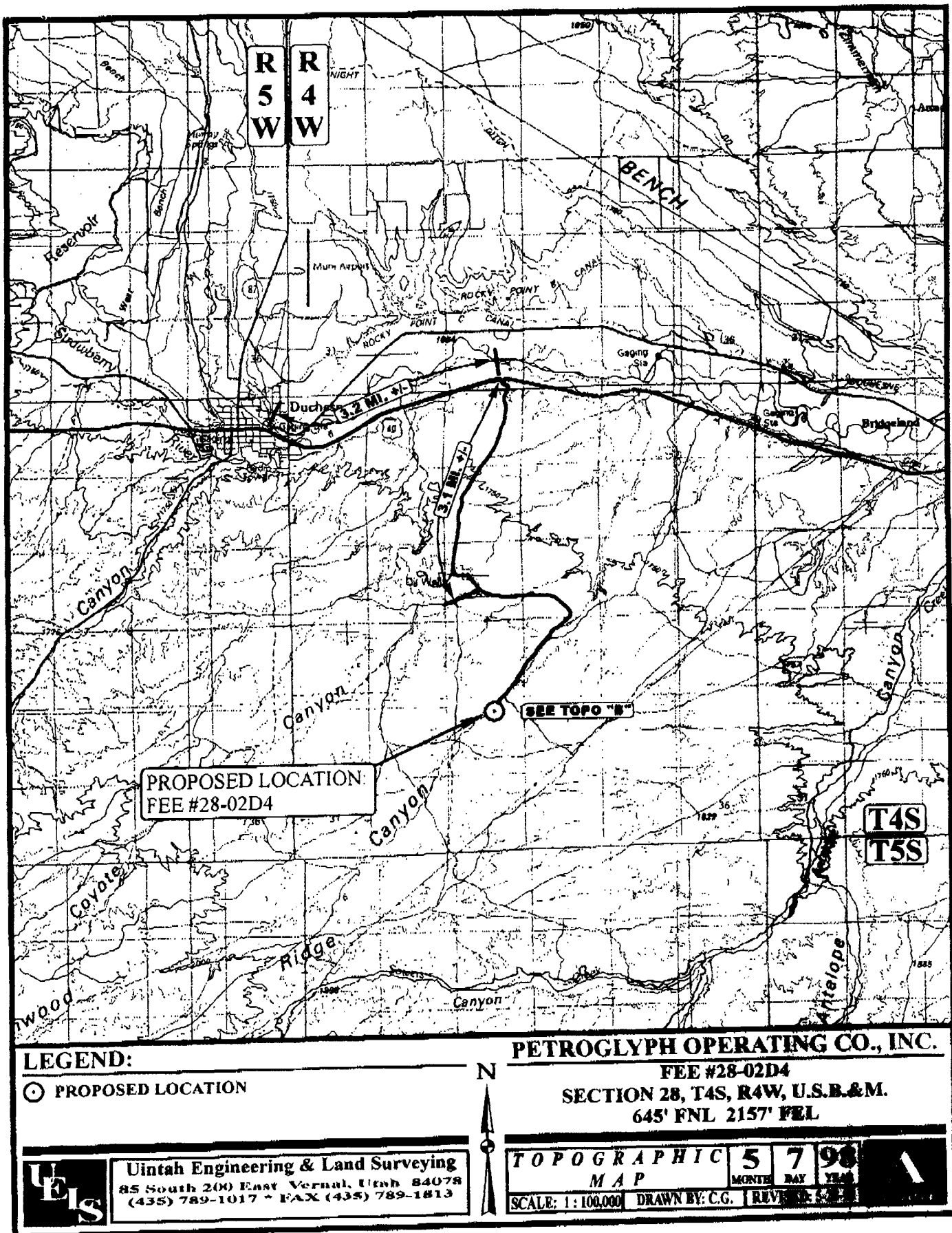
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

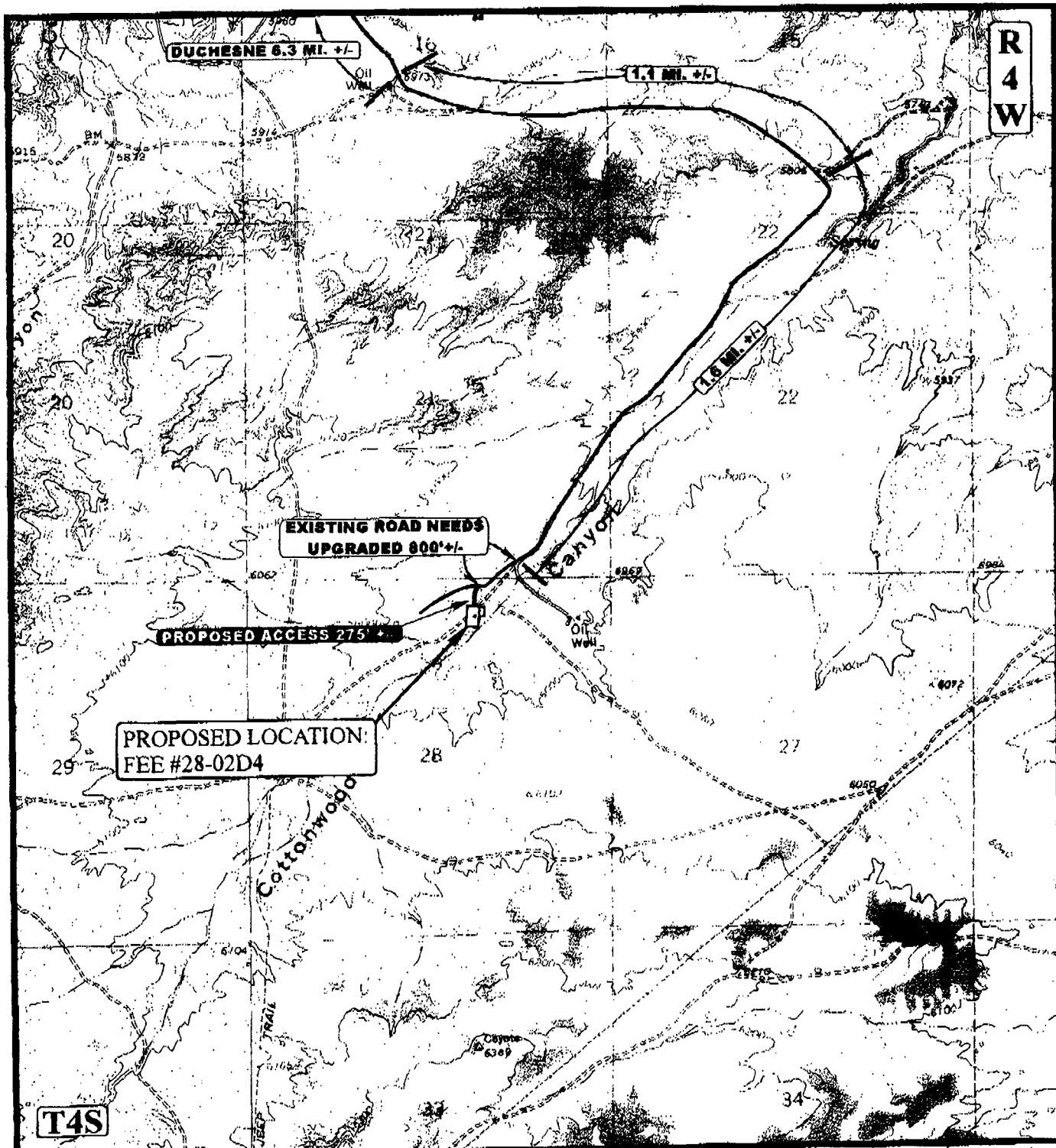
APPROXIMATE YARDAGES

(6") Topsoil Stripping = 960 Cu. Yds.
Remaining Location = 4,610 Cu. Yds.
TOTAL CUT = 5,570 CU.YDS.
FILL = 600 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION = 4,940 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 1,650 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 3,290 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017





LEGEND:

--- PROPOSED ACCESS ROAD
 --- EXISTING ROAD

PETROGLYPH OPERATING CO., INC.

FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

645' FNL 2157' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

N



TOPOGRAPHIC
MAP

5 7 98
 MONTH DAY YEAR

B

SCALE: 1" = 2000' **DRAWN BY: C.G.** **REVIEWED: C.G.**

FAX COVER SHEET

FROM: ED TROTTER

FAX NO. 435-789-1420

TELEPHONE NO. 435-789-4120

TO: UDOG & M

FAX NO. 801-359-3940

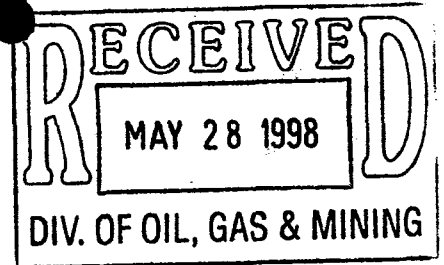
ATTENTION: LISHA CORDOVA

DATE: 6-10-1998

TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 7

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Petroglyph Operating Co., Inc.
P.O. Box 1839
Hutchinson, KS 67504-1839



May 28, 1998

Utah Division of Oil, Gas, & Mining
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
FEE #28-02D4
NW/NE, SEC. 28, T4S, R4W
DUCHESNE COUNTY, UTAH
LEASE NO. FEE
SURFACE OWNER: Lamont Moon

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone # (801) 789-4120
Fax # (801) 789-1420

Sincerely,

A handwritten signature in cursive script, appearing to read "Ed Trotter".

Ed Trotter
Agent

Petroglyph Operating Co., Inc.

Attachments

/EHT/dmt

EIGHT POINT PLAN

FEE #28-02-D4
NW/NE, SEC. 28, T4S R4W
DUCHESNE COUNTY, UTAH

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

FORMATIONS	DEPTH	SUBSEA
Mahogany Shale	2868	3090
"B" Marker	4098	1860
"X" Marker	4613	1345
Douglas Creek	4758	1200
"B" Limestone	5193	765
B/Castle Peak Limestone	5778	180
Basal Carbonate Limestone	6138	-180
Total Depth	6488	-530

Anticipated BHP 2000 psi

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Oil/Gas	Douglas Creek	4758	1200
Oil/Gas	B/Castle Peak	5778	180
Other mineral zones	N/A		

3. PRESSURE CONTROL EQUIPMENT : BOP Schematic Diagram attached.

4. CASING PROGRAM :

						<u>MINIMUM SAFETY FACTOR</u>		
<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 1/4	0' - 250'	250'	8 5/8	24.0 #	J-55	1370 PSI	2950 PSI	263,000#
7 7/8	0' - 6488'	6488'	5 1/2	15.5 #	M-50	3650 PSI	4550 PSI	186,000#

All casing will be new or inspected.

EIGHT POINT PLAN

FEE #28-02-D4
NW/NE, SEC. 28, T4S R4W
DUCHESNE COUNTY, UTAH

5. MUD PROGRAM

INTERVAL

0' - 250'
250' - 4000'
4000' - TD
TD

MUD TYPE

Air
Air/Mist & Aerated Water
Air/3% KCL water or KCL substitute
Gel/polyacrylamide polymer w/5-10% LCM

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. Petroglyph Operating Co., Inc. requests a variance to regulations requiring a straight run blooie line.
- B. Petroglyph Operating Co., Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

7. EVALUATION PROGRAM:

Logs: Mud Logging	T.D. to base of surface csg.
Compensated Density-Compensated Neutron Log	T.D. to base of surface csg.
Dual Laterolog - Micro-SFL	T.D. to base of surface csg.
Numar (Magnetic Resonance Imaging Log)	@ Geologists discretion

Cores: None Programmed
DST: None Programmed

Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

EIGHT POINT PLAN

FEE #28-02-D4
NW/NE, SEC. 28, T4S R4W
DUCHESNE COUNTY, UTAH

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

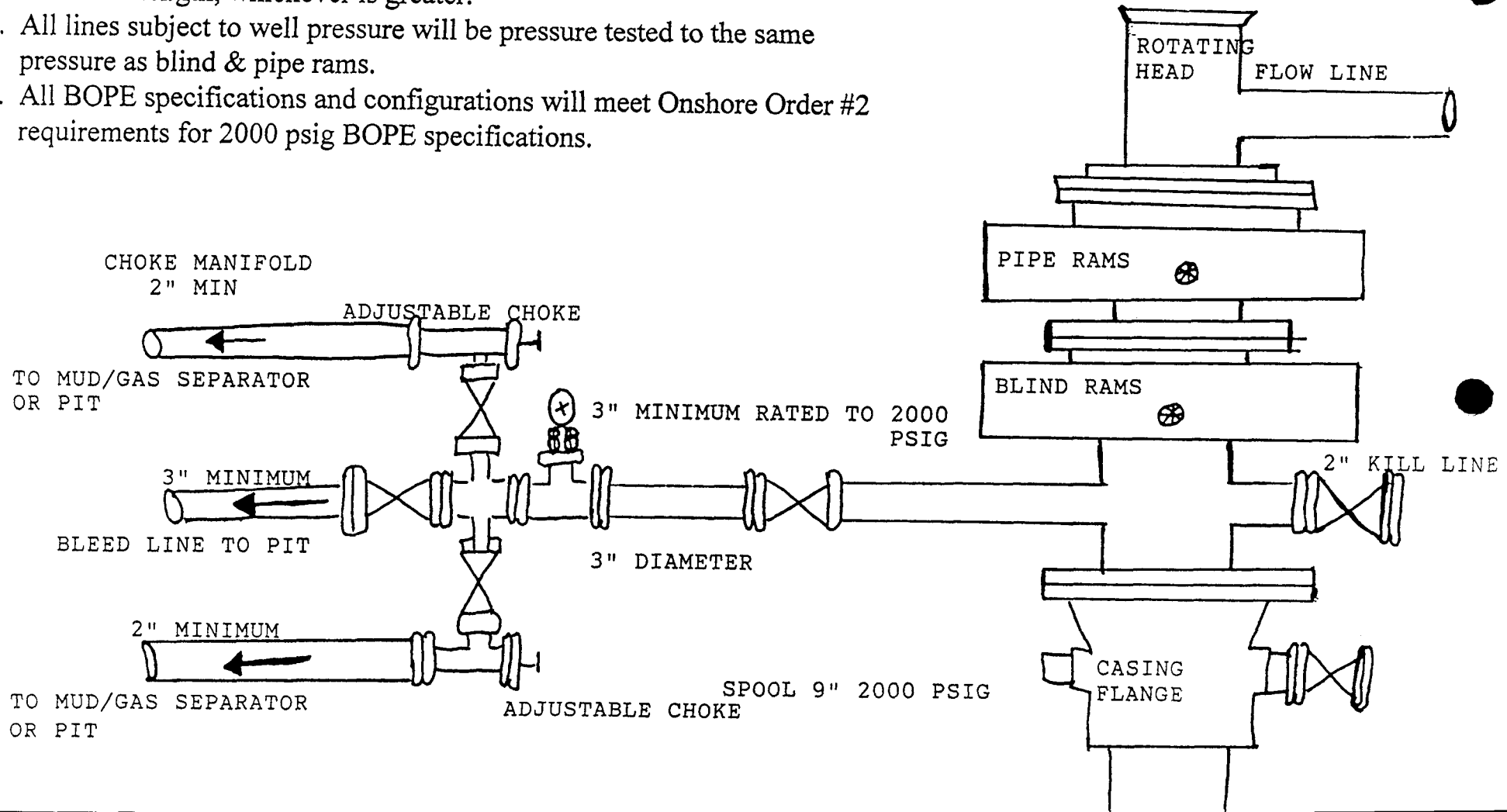
(Attachment: BOP Schematic Diagram)

2000 PSIG DIAGRAM

BOTH RAMS ARE 2000 PSIG RATED.
CASING FLANGE IS 9" 2000 PSIG RATED.
BOPE 9" 2000 PSIG

TESTING PROCEDURE:

1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind rams will be tested to rated working pressure, 2000 psig
3. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 2000 psig BOPE specifications.



CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Company
Well Name & Number: FEE #28-02D4
Lease Number: FEE
Location: 660' FNL & 1980' FEL, NW/NE, Sec. 28, T4S, R4W
U.S.B.&M., Duchesne County, Utah
Surface Ownership: Lamont Moon

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice To Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 9.2 miles southeast of Duchesne, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 200 feet in length.
See attached TOPO Map "B"
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 8%
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. A cattleguard and gate will be installed on the access road.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road.

Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of- Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Company shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells - None
- B. Abandoned wells - None
- C. Temporarily abandoned wells - None.
- D. Disposal wells - None.
- E. Drilling wells - None.
- F. Producing wells - None
- G. Shut in wells - None
- H. Injection wells - None

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries - None
- 2. Production facilities - None
- 3. Oil gathering lines - None
- 4. Gas gathering lines- None
- 5. Injection lines - None

- 6. Disposal lines - None
- 7. Surface pits - None

B. OFF WELL PAD

Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Northeast side of the location.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Target Trucking's Roosevelt Brine Storage and/or Target's water source in SE 1/4, Sec. 1, T 4S, R 5W Duchesne County, Utah (State water right #43-10152). All water will come from a non-depletable source.
- B. Water will be hauled by Target Trucking.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of location.
- B. All construction material will come from Private Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Roosevelt sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
 4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on drilling rig to avoid leakage of oil to pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to reserve pit will be avoided by flaring them off in flare pit at time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On Privately owned surface :

The reserve pit will be constructed so as not to leak, break, or allow discharge.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No.7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELL SITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills & cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation parking areas, and access road.

The reserve pit will be located on the Southeast side of the location.

The flare pit will be located downwind of the prevailing wind direction on the Southeast side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored on the Southwest end.

Access to the well pad will be from the North.

N/A Diversion ditch(es) shall be constructed on the _____ side of the location (above/below) the cut slope, draining to the _____

N/A Soil compacted earthen berm(s) shall be placed on the _____ side(s) of the location between the _____

N/A The drainage(s) shall be diverted around the sides of the well pad location.

N/A The reserve pit and/or pad locations shall be constructed long and narrow for topographic reasons _____

N/A Corner No. will be rounded off to minimize excavation.

FENCING REQUIREMENTS

All pits will be fenced according to the following minimum standards:

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe

or some type of reinforcement rod is attached to the top of the entire fence).

- B. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- C. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment.

11. SURFACE OWNERSHIP

Access road: Private

Location: Private

12. Additional Surface Stipulations

N/A No construction or drilling activities shall be conducted between _____ and _____ because of _____

N/A No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.

N/A No construction or exploration activities are permitted within 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.

N/A There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).

N/A No cottonwood trees will be removed or damaged.

N/A Pond will be constructed according to BLM specifications approximately _____ ft. _____ of the location, as flagged on onsite.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING

Ed Trotter

P.O. Box 1910

Vernal UT 84078

Telephone # (801)789-4120

Fax # (801) 789-1420

OPERATIONS

Vince Guinn

P.O. Box 607

Roosevelt, UT 84066

(801) 722-2531

Fax # (801) 722-9145

All lease/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Petroglyph Operating Company is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

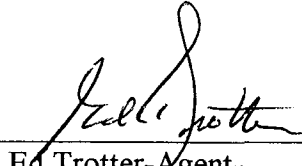
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Company and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved.

5-28-98

Date



Ed Trotter-Agent-
Petroglyph Operating Company

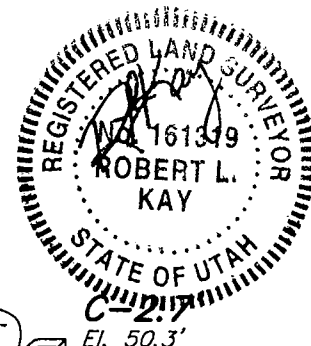
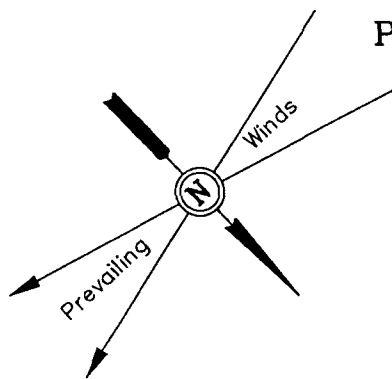
PETROGLYPH OPERATING CO., INC.

LOCATION LAYOUT FOR

FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

660' FNL 1980' FEL



SCALE: 1" = 50'

DATE: 5-5-98

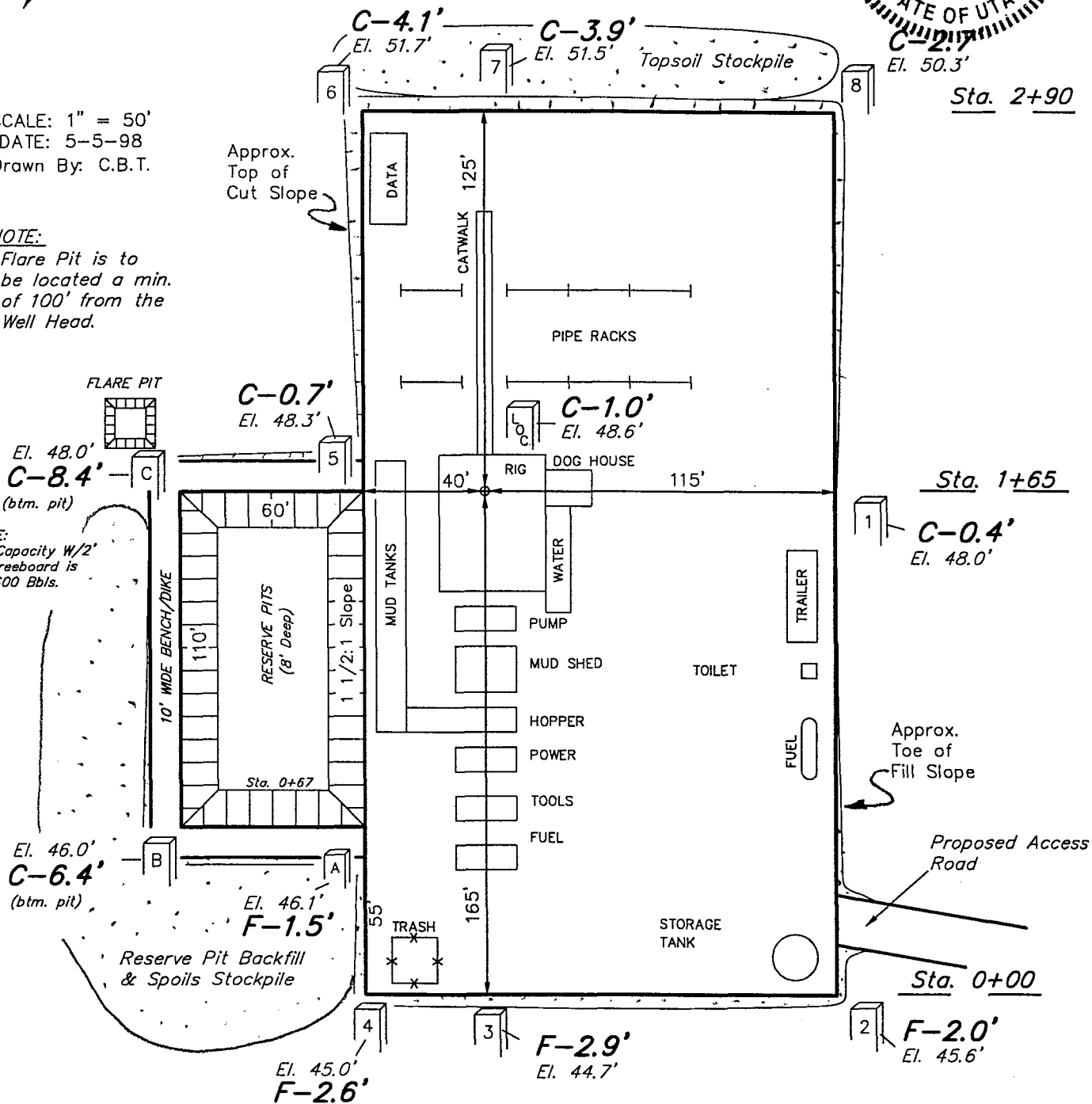
Drawn By: C.B.T.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

NOTE:

Pit Capacity W/2' of Freeboard is $\pm 4,600$ Bbls.



Elev. Ungraded Ground at Location Stake = **5948.6'**

Elev. Graded Ground at Location Stake = **5947.6'**

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

PETROGLYPH OPERATING CO., INC.

TYPICAL CROSS SECTIONS FOR

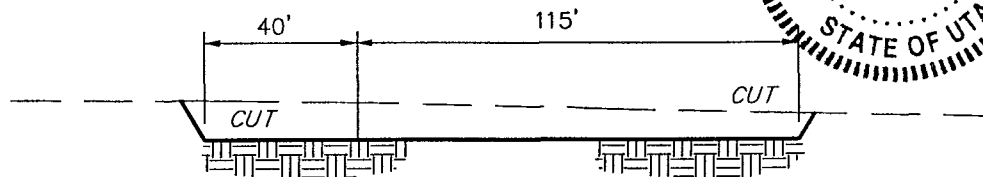
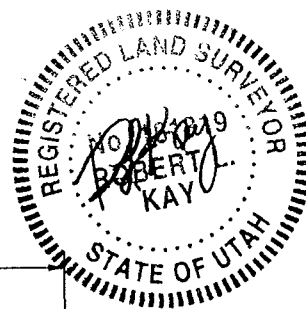
FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

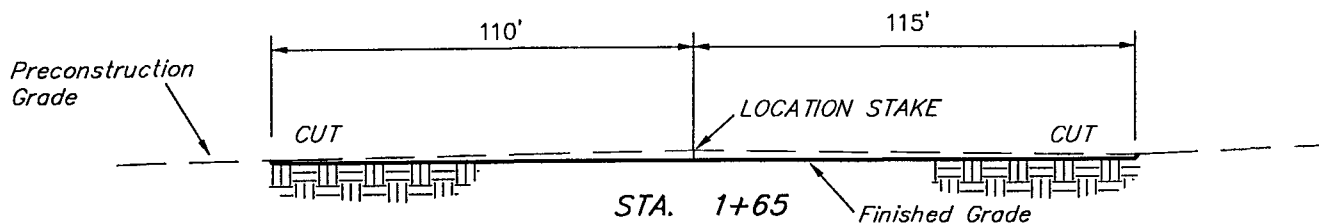
660' FNL 1980' FEL

1" = 20'
X-Section
Scale
1" = 50'

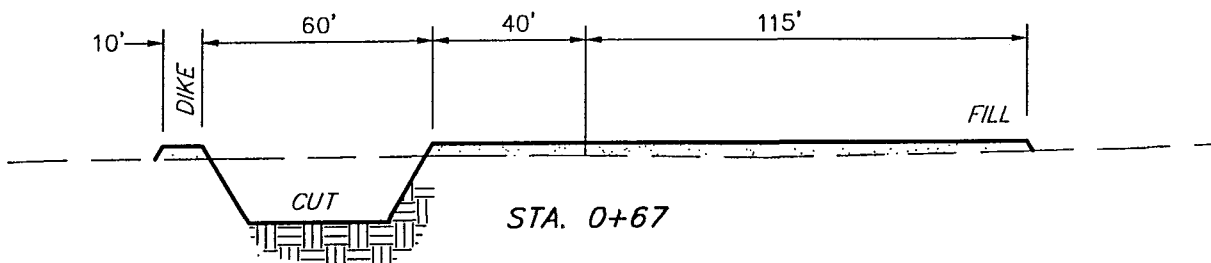
DATE: 5-5-98
Drawn By: C.B.T.



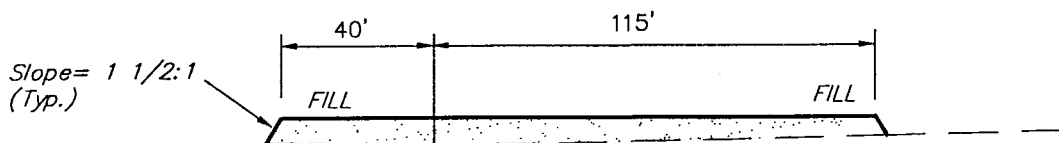
STA. 2+90



STA. 1+65



STA. 0+67



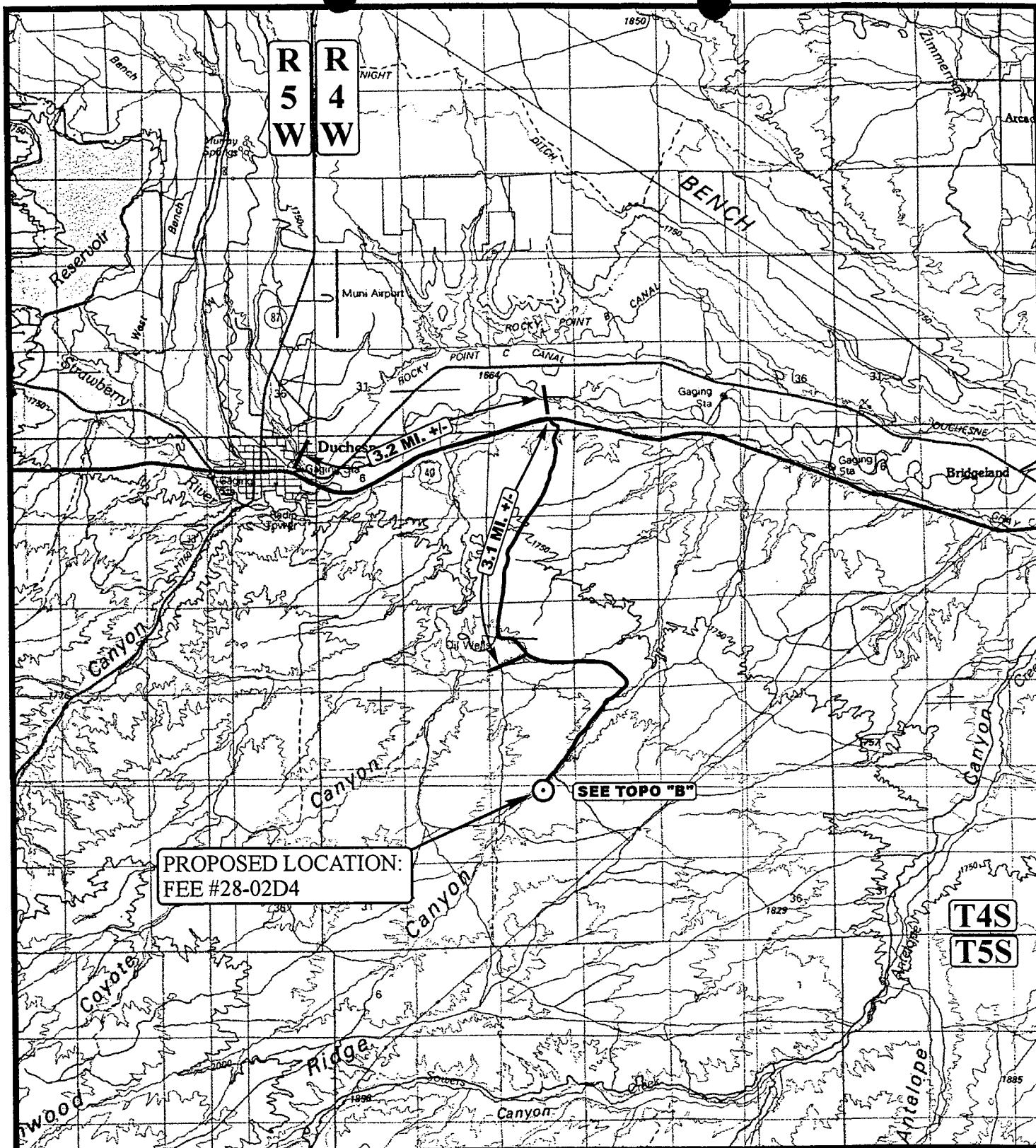
STA. 0+00

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	960 Cu. Yds.
Remaining Location	=	2,390 Cu. Yds.
TOTAL CUT	=	3,350 CU.YDS.
FILL	=	1,610 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,660 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,650 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	10 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

N

PETROGLYPH OPERATING CO., INC.

FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

660' FNL 1980' FEL



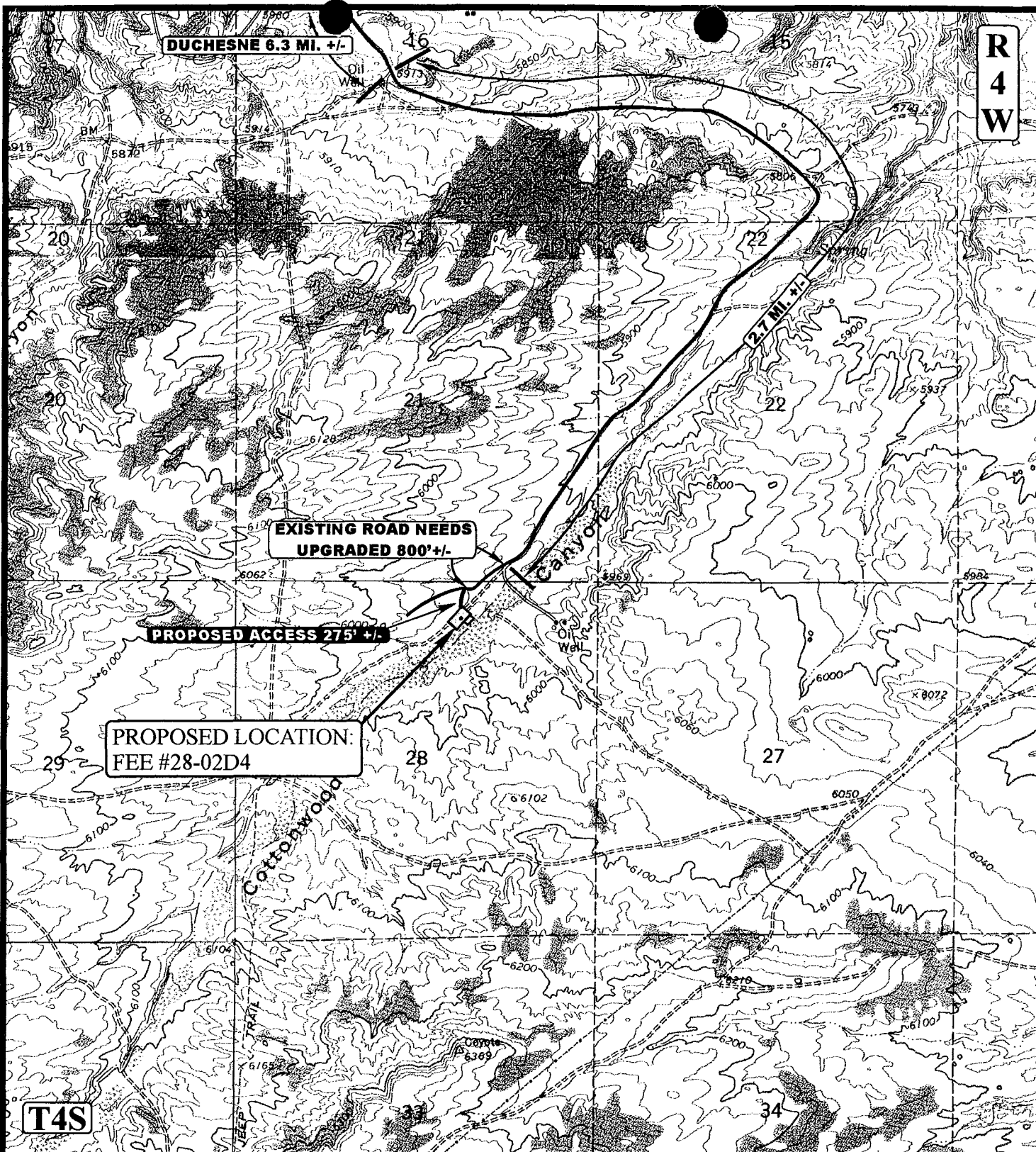
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

5 7 98
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.G. REVISED: 00-00-00





LEGEND:

--- PROPOSED ACCESS ROAD
 — EXISTING ROAD

PETROGLYPH OPERATING CO., INC.

FEE #28-02D4
SECTION 28, T4S, R4W, U.S.B.&M.
660' FNL 1980' FEL



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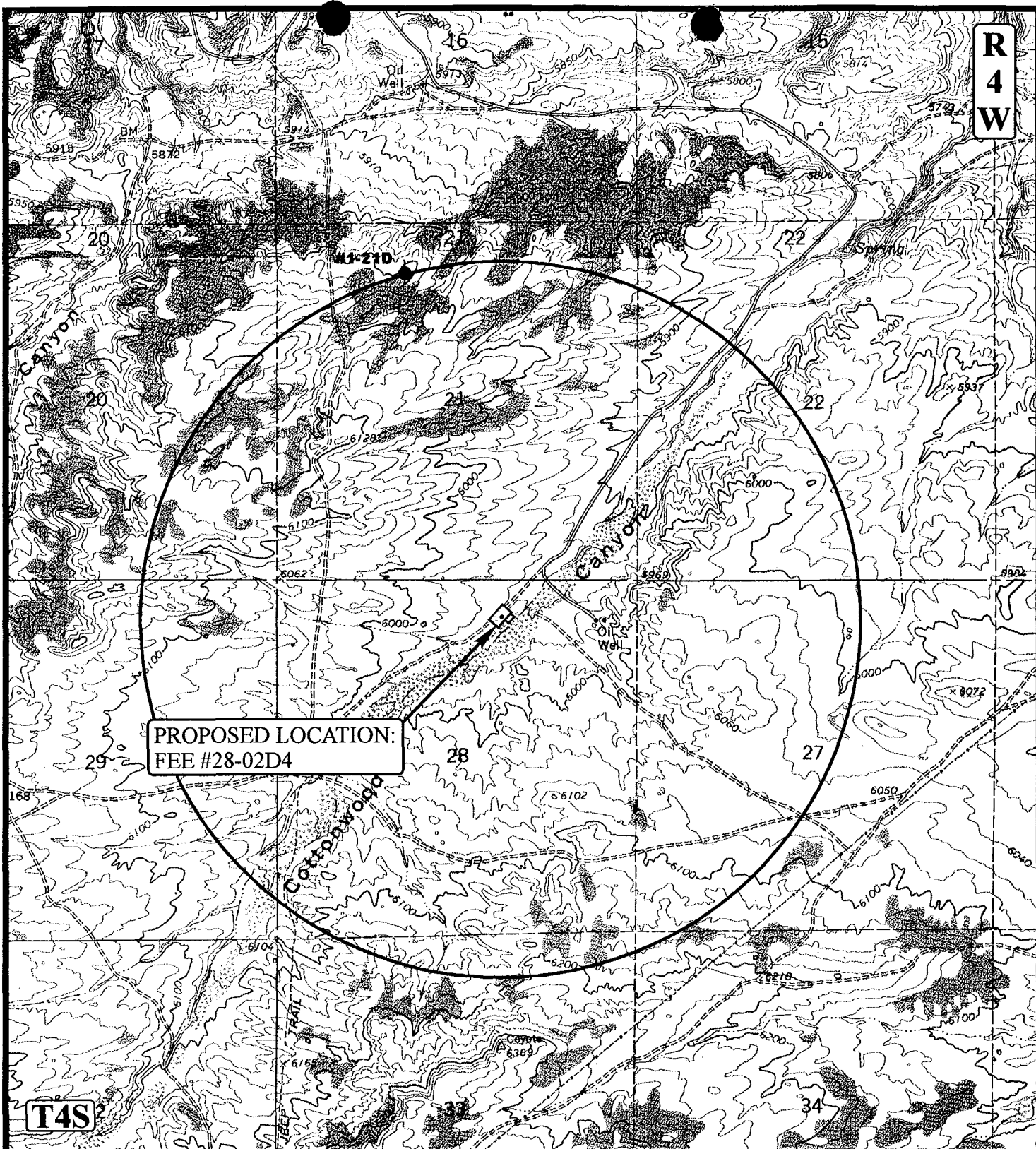


TOPOGRAPHIC
MAP

5 **7** **98**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00





PROPOSED LOCATION:
FEE #28-02D4

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

PETROGLYPH OPERATING CO., INC.

FEE #28-02D4

SECTION 28, T4S, R4W, U.S.B.&M.

660' FNL 1980' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

5 7 98
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. FEE	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IS INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR PETROGLYPH OPERATING CO., INC.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P.O. BOX 607, ROOSEVELT, UTAH 84066		8. FARM OR LEASE NAME, WELL NO.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 645' FNL & 2157' FEL NW/NE At proposed prod. zone		9. AP WELL NO. #28-02D4	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9.2 MILES SOUTH EAST OF DUCHESNE, UTAH		10. FIELD AND POOL, OR WILDCAT ANTELOPE CREEK	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 28, T4S, R4W	
16. NO. OF ACRES IN LEASE		17. NO. OF ACRES ASSIGNED TO THIS WELL 80	
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. COUNTY OR PARISH DUCHESNE	
20. ROTARY OR CABLE TOOLS ROTARY		21. STATE UTAH	
22. APPROX. DATE WORK WILL START* JUNE 1998			

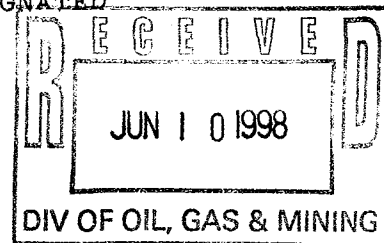
CONFIDENTIAL

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	250'	135 sx class "G" + 2% CaCl + 1/4 #/sx celloflake.
7 7/8"	5 1/2"	15.5#	6488'	50/50 POZMIX + 2% GEL + 1C SALT TO 400' ABOVE ALL ZON OF INTEREST (+10% EXCESS). LIGHT CEMENT (11 PPG) + LCM TO 200' ABOVE OIL SHAH OR FRESH WATER INTERVALS (+5% EXCESS).

CONFIDENTIAL

PETROGLYPH OPERATING COMPANY, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND #4556

pc: Utah Division of Oil, Gas, and Mining



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED [Signature] TITLE AGENT FOR PETROGLYPH DATE 5-28-98

(This space for Federal or State office use)

PERMIT NO. 43-013-31818 APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE [Signature] DATE 6-15-98

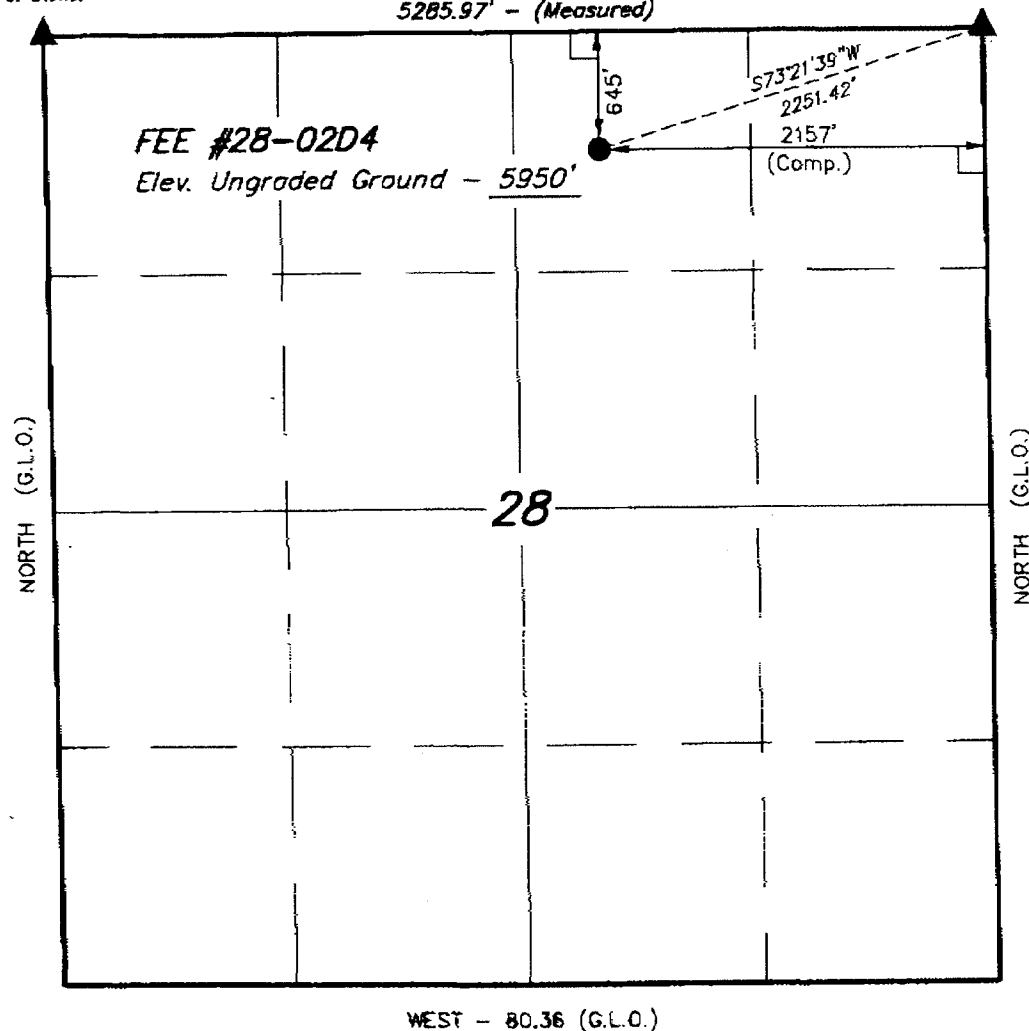
*See Instructions On Reverse Side

T4S, R4W, U.S.B.&M.

1/2" Rebar, Small
Pile of Stones

WEST - G.L.O. (Basis of Bearings)
5285.97' - (Measured)

5/8" Rebar,
Marked Stone,
Pile of Stones



LEGEND:

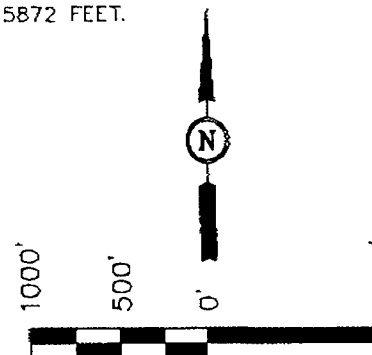
- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

PETROGLYPH OPERATING CO., INC.

Well Location, FEE #28-02D4, located as shown in the NW 1/4 NE 1/4 of Section 28, T4S, R4W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

BENCH MARK M62 (1934) LOCATED NEAR A ROAD INTERSECTION IN THE SE 1/4 OF SECTION 17, T4S, R4W, U.S.B.&M. TAKEN FROM THE DUCHESNE NE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5872 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
STATE OF UTAH

Revised: 5-29-98 C.B.T.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(436) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 4-30-98	DATE DRAWN: 5-5-98
PARTY G.S. J.K. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE PETROGLYPH OPERATING CO., INC.	

MEMORANDUM OF SURFACE USE AND
RIGHT-OF-WAY AGREEMENT

FILE COPY

THIS MEMORANDUM WITNESSES:

THAT on the 16th day of June, 1997 between LAMONT W MOON AND GAY G MOON, Trustees of the LAMONT W MOON Trust and the GAY G MOON Trust, whose address is 628 South 799 East, Duchesne, Utah 84021 (GRANTOR), in consideration of the covenants and agreements contained in that certain Surface Use and Right-Of-Way Agreement dated June 25, 1997, 1997 (the "Agreement"), has granted and conveyed, and by these presents does hereby grant and convey to PETROGLYPH OPERATING COMPANY, INC., whose address is 6209 North Highway 61, P.O. Box 1839, Hutchinson, Kansas 67502 (GRANTEE), certain rights of surface use, rights-of-way, and easements for the exploration, development, production, and transportation of oil and gas in, on, over, through and across certain real property owned by GRANTOR and situated in the County of Duchesne, State of Utah, and more particularly described as follows:

Township 4 South - Range 3 West USM

Section 9: That portion of the SE/4 SE/4 lying South and East of the County Road
Section 10: SW/4 SW/4, less 3.99 ac in the SE corner
Section 16: NE/4 NE/4

Township 4 South - Range 4 West USM

Section 14: The South 100 acres
Section 15: The South 100 acres
Section 21: S/2, SE/4 NW/4, S/2 NE/4, NE/4 NE/4 less 7.0 acres in the NW corner
Section 22: All
Section 23: All
Section 27: All
Section 28: All
Section 29: All
Section 32: All
Section 33: All
Section 34: SW/4 SW/4

Containing 5,271.50 acres, more or less.

E 320852 B A0280 F 239
DATE 1-JUL-1997 16:15PM FEE 30.00
CAROLYN E. MADSEN, RECORDER
FILED BY CRY
FOR ED TROTTER
DUCHESTER COUNTY CORPORATION

Said rights and uses are granted upon and subject to all of the terms and conditions set forth in the Agreement, executed by GRANTOR and GRANTEE, which Agreement is held by and can be inspected by parties having a vested interest in the Agreement and/or subject property during reasonable business hours at the offices of GRANTOR or GRANTEE. Such uses, rights-of-way and easements are granted for the full period of development of and the production life of any of the wells, appurtenances and facilities associated therewith.

IN WITNESS WHEREOF, this Memorandum has been duly executed this 25th day of June, 1997.

GRANTOR LAMONT W MOON AND GAY G MOON, Trustees

By: Lamont W Moon

By: Gay G Moon

GRANTEE PETROGLYPH OPERATING COMPANY, INC.

By: Ed L. TrutterIts: ~~President~~ AGENT

ACKNOWLEDGMENTS

STATE OF UTAH)

: ss.

COUNTY OF DUCHESNE)

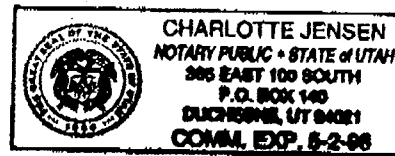
The foregoing instrument was acknowledged before me this 25th day of June, 1997 by LAMONT W MOON AND GAY G MOON, Trustees.

Charlotte Jensen

Notary Public

Residing in: Duchesne, UT

Commission Expires:

5-2-98

ACKNOWLEDGMENT

STATE OF UTAH)

: ss.

COUNTY OF ~~Duchesne~~ Duchesne)

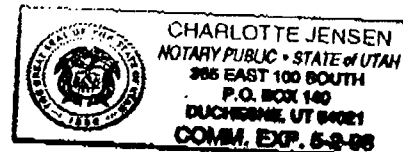
The foregoing instrument was acknowledged before me this 25th day of June, 1997 by Ed Trutter, the Agent of PETROGLYPH OPERATING COMPANY, INC.

Charlotte Jensen

Notary Public

Residing in: Duchesne, UT

My Commission Expires:

5-2-98

Page 2

FAX COVER SHEET

FROM: ED TROTTER

FAX NO. 435-789-1420

TELEPHONE NO. 435-789-4120

TO: UDOG & M

FAX NO. 801-359-3940

ATTENTION: LISHA CORDOVA

DATE: 6-23-1998

TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 3

All information contained in this facsimile is confidential and is solely directed to the above named recipient. If you receive this fax in error, or there is a problem with the transmission, please call: 1-435-789-4120. Thank you.

Lisha,

Surface Agreement for wells in Section 27, T4S, R4W.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

June 15, 1998

Petroglyph Operating Company
P.O. Box 607
Roosevelt, Utah 84066

Re: 28-02D4 Well, 645' FNL, 2157' FEL, NW NE, Sec. 28, T. 4 S.,
R. 4 W., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31818.

Sincerely,

John R. Baza
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor

Bureau of Land Management, Vernal District Office

Operator: Petroglyph Operating Company
Well Name & Number: 28-02D4
API Number: 43-013-31818
Lease: Fee
Location: NW NE Sec. 28 T. 4 S. R. 4 W.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours prior to spudding the well or commencing drilling operations. Contact Jim Thompson at (801) 538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Surface casing (8 $\frac{5}{8}$ ") shall be set to 500 feet depth.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

CONFIDENTIAL

Date: 6/18/98 Signed: JLT

✓

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
DRILLING INSPECTION FORM

OPERATOR: PETROGLYPH OPERATING CO. COMPANY REP: GENE SEARLE

WELL NAME FEE #28-02D4 API NO 43-013-31818

QTR/QTR: NW/NE SECTION: 28 TWP: 4S RANGE: 4W

CONTRACTOR: UNION DRILLING COMPANY RIG NUMBER: #16

INSPECTOR: DENNIS L. INGRAM TIME: 9:00 AM DATE: 6/24/98
SPUD DATE: DRY: 6/19/98 ROTARY: 6/19/98 PROJECTED T.D.:

OPERATIONS AT TIME OF VISIT: CIRCULATING AT 3027' AWAITING 10 PPG BRINE WATER.

WELL SIGN: NO MUD WEIGHT 8.4 LBS/GAL BOPE: Y

BLOOE LINE: Y FLARE PIT: Y H2S POTENTIAL: NO

ENVIRONMENTAL:

RESERVE PIT: Y FENCED: Y LINED: Y PLASTIC: Y
RUBBER: BENTONITE: SANITATION: 2

BOPE TEST RECORDED IN THE RIG DAILY TOUR BOOK: YES,
2000 PSI ON ACCUMULATOR. TESTED BOPE WITH SINGLE JACK ON 6/20/98

REMARKS:

(LAST HOLE WAS UT #36-08E4, T.D. ON 6/9/98 AT 5877' AND RAN 132 JOINTS OF 5 1/2" PRODUCTION CASING TO 5823'). OPERATOR HAS SET 477' OF 9 5/8" 36#, K55 SURFACE PIPE AT 488'. APD IN DOGHOUSE. OPERATOR DID NOT FOLLOW SOB AND STIPULATION SHEET REGARDING PLACEMENT OF RESERVE PIT (SEE TELEPHONE DOC).

RIG ENCOUNTERED WATER FLOW AT 1290 FEET AND CONVERTED FROM AIR/FOAM TO WATER FOR DRILLING FLUIDS. OPERATOR DRILLED INTO GAS AND OIL SHOW AT 2764 FEET AND CONTINUED ON UNTIL 3027'. OPERATOR SHUT IN WELL AT 3027' AND HAD 85PSI SHUT IN PRESSURE. THEY TRIPPED OUT AND ATTEMPTED A 30 BARREL CEMENT SQUEEZE (SPOTTED AT 2624') TO SHUT OFF GAS AND OIL. THE CEMENT PLUG FAILED AND RIG IS PRESENTLY AWAITING 10 PPG BRINE WATER TO KILL GAS AND OIL KICK.

GENE SEARLE WAS CONTACTED BY TELEPHONE AND TOLD TO HAUL ENOUGH WATER FROM RESERVE PIT TO PREVENT LOSING SAME, AS THE NORTHERN RESERVE PIT WALL IS MOSTLY FILL MATERIAL. HE ASSURED DOGM HE WILL HAUL FLUID TO DISPOSAL TO PREVENT ANY PROBLEMS--SUCH AS LOSING ALL CONTENTS DOWN DRY WASH--WITH THIS RESERVE PIT.

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File FEE #28-02D4

☐ Suspense ☐ Other

(Location) Sec 28 TWP 4S RNG 4W

Return date

(API No.) 43-013-31818

To-Initials

1. Date of Phone Call: JUNE 24, 1998 Time: 1:45 PM

2. DOGM Employee (name) DENNIS L. INGRAM Initiated Call X
Talked to:
Name ED TROTTER Initiated Call [Phone 789-4120
of (Company) PETROGLYPH OPERATING COMPANY

3. Topic of Conversation: LOCATION DESIGN, DID NOT FOLLOW
STIPULATION SHEET ON APD (PIT BUILT 180 DEGREES FROM STIPULATION)

4. Highlights of Conversation:

Asked why pit was constructed downhill in fill after SOB and
Stipulation sheet requested pit be constructed on uphill side
of location in cut.

Ed Trotter claims he spoke with landowner and got approval to
construct pit on northeast side of lease because it would be
reclaimed first, and possibly provide future forage base for sheep
and cattle.

Dogm informed Ed Trotter that the State permits wells and
attaches stipulations to permits, not landowners, as they neither
have the experience or information to decide whether a pit should
be built in cut or fill. Dogm also spoke with Gene Searle with
Petroglyph about keeping the fluid level low in this pit to prevent
losing reserve pit content down a dry wash, located just below said
pit. The reserve pit presently has oil in it and 10 ppg brine
water will be added. Gene assured Dogm he will haul fluid from this
pit as drilling progresses to prevent salt water and oil from
contaminating adjacent lands.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.

FEE

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

FEE 28-02D4

9. API Well No.

43-013-31818

10. Field and Pool, or Exploratory Area

Duchesne

11. County or Parish, State

Duchesne County, UT

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator

Petroglyph Operating Company, Inc.

3. Address and Telephone No.

P.O. Box 607, Roosevelt, UT 84066 (435) 722-2531

4. Location of Well (Footage, Sec., T., R., or Survey Description)

**645' FNL 2157' FEL
NWNE Sec. 28-T4S-R3W**

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other CONVERT TO WATER
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

After drilling through Friar and Trona zones encountered excessive flowback of gas, oil, and water; could not contain flow with 10-12# /gl mud.

Decided to sidetrack well when it was determined there was not enough room in the 8-5/8" casing to set intermediate pipe.

Decided to set pipe and cement across Friar and Trona zones and produce water zone @ $\pm 1300'$ and use existing well for water.

COPY SENT TO OPERATOR
Date: 11-18-98
Initials: CHD

14. I hereby certify that the foregoing is true and correct.

Signed: [Signature]

Title **Operations Coordinator**

Date 11-11-98

(This space for Federal or State official use)

Approved by: A

Accepted by the State

Date

Conditions of Approval

**of Utah Division of
Oil, Gas and Mining**

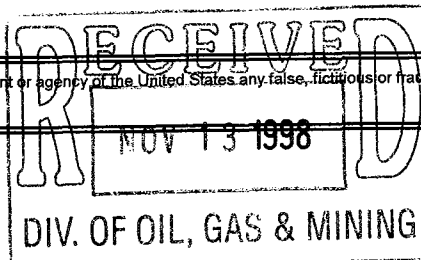
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Date: 12-NOV-1998

By: [Signature]

See instruction on Reverse Side

This is not an approval



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR Petroglyph Operating Company, Inc.
ADDRESS P. O. Box 607
Roosevelt, UT 84066

OPERATOR ACCT. NO. N3800

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A			43-013-31818	Ute Tribal 28-02D4	NWNE	28	4S	4W	Duchesne	6/19/98	
WELL 1 COMMENTS:											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group of unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Deanna Bell
Signature Deanna Bell

Operations Coordinator 6/23/98
Title Date

Phone No. (435) 722-2531

10/26/98 15:48 FAX 435 722 9145

PETROGLYPH

LISHA C

004

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☐ OTHER:

2. Name of Operator: Petroglyph Operating Company, Inc.

3. Address and Telephone Number:

P.O. Box 607, Roosevelt, UT 84066 722-2531

4. Location of Well

Footages: 645' FNL 2157' FEL

OO, Sec., T., R., M.: NWNE Sec. 28-T4S-R4W

5. Lease Designation and Serial Number:

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

EEE 28-02D4

9. API Well Number:

43-013-31818

10. Field and Pool, or Wildcat:

Duchesne

County: Duchesne

State: Utah

CONFIDENTIAL

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>name change</u> | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL
COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Petroglyph Operating Company, Inc. requests permission to change the name of the above referenced well to EEE 28-02D4W.

Due to well flowing fresh water at approximately 1294', Petroglyph decided to complete this well as a water well. In the process of completing appropriate paperwork with Division of Water Rights in Vernal.

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☒ Well File _____

☐ Suspense

☐ Other

(Loc.) Sec _____ Twp _____ Rng. _____
(API No.) 43-013-31818

(Return Date) _____

(To-Initials) _____

1. Date of Phone Call: 6-26 + 6-30-98 Time: _____

2. DOGM Employee (name) RJW (☒ Initiated Call)

Talked to: Vince Avian

Name Petroglyph (☐ Initiated Call) - Phone No. () _____

of (Company/Organization) Meeting @ DORM 6/26 + phone call 6-30-98

3. Topic of Conversation: Status of Well: They still need to submit a Sundry notice for this well (1) changing the name (2) intent to convert to water well w/ proposed plug back + completion procedure (3) Water Rights Appl. (4) Water Rights Agree w/ owner.

4. Highlights of Conversation: Petroglyph to submit new APP package for "skidded" well along w/ revised/re-surveyed plat map. The skidded well will get a new API ID.

(43-013-32091 / Ute Tribal 28-0204X Appr. 7-9-98) - RIC SKID

